GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:7503
ANSWERED ON:16.05.2002
FICTITIOUS BOOKING
RAMJI MANJHI

Will the Minister of DEFENCE be pleased to state:

(a) whether the CAG in its Report No. 7 of 2001 (Defence Services) in paragraph 46.5.3 on pages 85-86 have brought out fictitious booking of expenditure in the Ordnance Factory; and

(b) if so, the action taken by the Government on the CAG report and against the persons responsible for fictitious booking of expenditure?

Answer

MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) CAG observed that the Ordnance Factory, Dehu Road booked an expenditure of Rs. 1.38 crore in advance to account for issuance of some stores in the financial year 1998-99 although the physical transaction took place in the year following. The expenditure so booked is included in the cost of production of Rs. 5441.11 crore for the year 1998-99.

(b) Ordnance Factory Board have taken suitable administrative action and accordingly advised all the ordnance factories not to violate the accounting procedures.